

PSC NEWSMissouri Public Service Commission

Contact: Kevin Kelly Phone: (573) 751-9300 Governor Office Building, Suite 900

FY-05-115

PSC APPROVES AGREEMENTS REACHED IN HICKORY HILLS WATER & SEWER COMPANY RATE REQUESTS

Jefferson City (December 20, 2004)---The Missouri Public Service Commission has approved an agreement reached by the PSC Staff and Hickory Hills Water & Sewer Company, Inc. (Hickory Hills) which authorizes the Company to increase its water and sewer rates.

<u>Water Rate Case:</u> On March 30, 2004, Hickory Hills filed a rate request with the Public Service Commission seeking to increase water revenues by approximately \$9,000 a year. The company stated the increase was needed due to increases in operation and maintenance expenses; an increase in monitoring requirements; and an increase in labor costs.

The PSC Staff conducted a thorough review of the books and records of the company. Based upon that audit, the PSC Staff recommended water revenues be increased by approximately \$8,200 a year.

In a filing with the Commission on November 4, 2004, Hickory Hills stated it had reached an agreement with the PSC Staff on the recommendation of approximately \$8,200.

For a residential customer using 6,000 gallons of water a month, water bills will increase from \$14.35 to \$28.51 a month.

Sewer Rate Case: On March 30, 2004, Hickory Hills filed a sewer rate request with the PSC seeking to increase sewer revenues by approximately \$5,000 a year. The company stated the increase was needed due to an increase in operation and maintenance expenses; increases in the Department of Natural Resources' annual sewer discharge permit fees; an increase in monitoring requirements; and an increase in labor costs.

The PSC Staff conducted a thorough review of the books and records of the company. Based upon that audit, the PSC Staff recommended sewer revenues be increased by approximately \$4,000 a year.

In a filing with the Commission on November 4, 2004, Hickory Hills indicated that it had reached an agreement with the PSC Staff on the recommendation of approximately \$4,000.

For a residential customer, the flat rate sewer bill will increase from \$5.12 a month to \$12.35 a month.

Hickory Hills serves approximately 49 residential water and sewer customers in Moniteau County near California, Missouri.